ALJ/DOT/tcg Mailed 1/6/2004

Decision 04-01-004 January 6, 2004

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Joint Application of AT&T Communications of California, Inc. (U 5002 C) and WorldCom, Inc. for the Commission to Reexamine the Recurring Costs and Prices of Unbundled Switching in Its First Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050.

Application 01-02-024 (Filed February 21, 2001)

Application of AT&T Communications of California, Inc. (U 5002 C) and WorldCom, Inc. for the Commission to Reexamine the Recurring Costs and Prices of Unbundled Loops in Its First Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050.

Application 01-02-035 (Filed February 28, 2001)

Application of The Telephone Connection Local Services, LLC (U 5522 C) for the Commission to Reexamine the Recurring Costs and Prices of the DS-3 Entrance Facility Without Equipment in Its Second Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050.

Application 02-02-031 (Filed February 28, 2002)

162299 - 1 -

Application of AT&T Communications of California, Inc. (U 5002 C) and WorldCom, Inc. for the Commission to Reexamine the Recurring Costs and Prices of Unbundled Interoffice Transmission Facilities and Signaling Networks and Call-Related Databases in Its Second Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050.

Application 02-02-032 (Filed February 28, 2002)

Application of Pacific Bell Telephone Company (U 1001 C) for the Commission to Reexamine the Costs and Prices of the Expanded Interconnection Service Cross-Connect Network Element in the Second Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050.

Application 02-02-034 (Filed February 28, 2002)

Application of XO California, Inc. (U 5553 C) for the Commission to Reexamine the Recurring Costs of DS1 and DS3 Unbundled Network Element Loops in Its Second Annual Review of Unbundled Network Element Costs Pursuant to Ordering Paragraph 11 of D.99-11-050.

Application 02-03-002 (Filed March 1, 2002)

ORDER CORRECTING ERROR IN DECISION 03-07-023

In Decision (D.) 03-07-023, the Commission implemented rate changes for the unbundled network elements (UNEs) sold by Pacific Bell Telephone Company (Pacific, d/b/a SBC California). The rate changes were the result of an increase in the shared and common cost markup from 19% to 21% and a 13%

A.01-02-024 et al. ALJ/DOT/tcg

reduction in the expense portion of monthly recurring costs. The effective date of the rate change was September 19, 2002.

Conclusions of Law 2 and 3 in the order contain a typographical error and should be corrected to clarify that Pacific should calculate any rate adjustments for UNEs on or after September 19, 2002, rather than September 19, 2003.

IT IS ORDERED that the typographical errors in Conclusions of Law 2 and 3 of Decision 03-07-023 are corrected as set forth herein.

This order is effective today.

Dated January 6, 2004, San Francisco, California.

/s/ WILLIAM AHERN

WILLIAM AHERN Executive Director